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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

REPORT OF THE TRADE AND DEVELOPMENT BOARD ON THE SECOND PART OF ITS FORTIETH SESSION

held at the Palais des Nations, Geneva,
from 18 to 29 April 1994

Volume I

Report to the United Nations General Assembly

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INTRODUCTION

The second part of the fortieth session of the Trade and Development Board was held at the Palais des Nations, Geneva, from 18 to 29 April 1994. In the course of the session, the Board held eight plenary meetings - the 834th to 841st meetings.

This report to the United Nations General Assembly has been prepared by the Rapporteur under the authority of the President of the Board, in accordance with the guidelines adopted by the Board in the annex to its decision 302 (XXIX) of 21 September 1984. The report records, as appropriate, the action by the Board on the substantive items of its agenda (section I) and the procedural, institutional, organizational and administrative matters (section II).

In connection with the action reported in section I, attention is drawn to paragraph 56 of the Cartagena Commitment, which reads as follows:

> "The outcome of deliberative processes in the Trade and Development Board and its subsidiary bodies need not take the form of resolutions. Greater use should be made of agreed conclusions, assessments or summings-up by presiding officers, particularly when the issues are new or difficult ones, requiring further exploration and the building of common perceptions."

Volume II of the report of the Board on the second part of its fortieth session - to be issued subsequently in TD/B/40(1)/24 (Vol.II) - will reflect all the statements made in the course of the session on the various items of the agenda.

I. ACTION BY THE TRADE AND DEVELOPMENT BOARD ON SUBSTANTIVE ITEMS OF ITS AGENDA [1]

A. Agreed conclusions and decision adopted by the Board

Item 2. Trade policies, structural adjustment and economic reform: increased participation in international goods and services by developing countries and economies in transition: some problems and opportunities

Agreed conclusions 409 (XL): Trade policies, structural adjustment and economic reform [2]

In accordance with the provisions of paragraphs 63 (1) and 129 of the Cartagena Commitment, the Trade and Development Board discussed the issues and problems involved in increased participation of developing countries and of economies in transition in international trade in goods and services.

After discussion, the Board agreed on the following elements:

1. Increased participation in the world economy by developing countries and economies in transition was of great importance. It involved both challenges and opportunities. Such participation would advance in parallel with growing globalization of activities of economic operators. It would be supported by liberalization of international trade on a broad basis as well as by a wider geographical distribution and intensification of foreign direct investment.

2. Integration into the world economy and the international trading system of developing countries and economies in transition will benefit all countries. Such integration will also enhance trade and investment activities between developing countries and economies in transition.

3. The important structural adjustment measures and economic reforms that had been undertaken by developing countries and economies in transition were welcomed. For national policies, the importance of various factors was underlined such as: efficient macroeconomic management, liberalization of the foreign-trade sector consistent with national trade, financial and development needs; the promotion of domestic and foreign direct investment involving technology transfer and export market development; and an efficient financial sector. The significant differences between individual countries in undertaking economic reforms as well as integrating into the international trading system were recognized.

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[1] For the Board's action on organizational and institutional matters, see section II below.

[2] Originally circulated in TD/B/40(2)/SC.1/L.2.

4. In order to improve market access and promote investment and technology flows, including non-debt-creating investment, to developing countries and economies in transition, national economic reforms need to be complemented by international measures, such as:

(a) full implementation of the Uruguay Round agreements and commitments;

(b) making international institutions, such as the World Trade Organization (WTO), more globally representative in membership;

(c) improvement of the schemes of the generalized system of preferences (GSP) to progress effectively with the implementation of the Cartagena Commitment, in particular, paragraphs 134 to 140 thereof;

(d) enhancement of outward-oriented policies by integration groupings and their member States, supportive of the multilateral trading system and taking into account their effects on third countries, especially for weaker trading partners, in particular developing countries;

(e) international cooperation for trade facilitation and enhanced trade efficiency, including the dissemination of information and strengthened business-to-business links.

5. The international community should continue to support economic reforms through financial and technical assistance to overcome supply-side constraints and social implications of structural reforms as well as to strengthen the capacity for policy formulation, institution-building and human-resource development. Furthermore, General Assembly resolutions 46/202 and 47/187 were recalled with regard to the assurances given by the developed countries and multilateral financial institutions that the resources allocated to the economies in transition would not reduce or divert official development assistance from developing countries. Least developed countries required special consideration and support by the international community.

6. The value of UNCTAD's on-going activities was recognized and it was considered that UNCTAD should continue to play an important role in facilitating the processes of countries' integration into the world economy by providing a forum for intergovernmental consultations, preparing timely analyses and identifying new opportunities for trade, investment and technological cooperation, inter alia, between developing countries and economies in transition. Technical assistance activities in such areas as international negotiations, implementation of the Uruguay Round agreements, regional integration, and specific projects of cooperation between developing countries and economies in transition should be continued and intensified, upon request. Such activities should take account of UNCTAD's resource availability, in particular of extra-budgetary resources, and priorities as outlined in the Cartagena Commitment. The United Nations Development Programme, other international financial institutions and developed countries should consider their possibilities to provide support to such projects.

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29 April 1994

Item 3. Developments and issues in the Uruguay Round of particular concern to developing countries

Agreed conclusions 410 (XL): Uruguay Round [1]

1. The Trade and Development Board resumed its discussion on developments in the Uruguay Round, recognizing that UNCTAD had an important role to play in the analysis and assessment of the outcome of the Round. This discussion was supported and enriched by the documentation prepared by the UNCTAD secretariat as well as by an informal presentation by Mr. J. Seade, Deputy Director-General of GATT.

2. It was understood that, in accordance with paragraph 144 of the Cartagena Commitment and in view of the fact that the Uruguay Round was successfully concluded at the Marrakesh Ministerial Meeting of the Trade Negotiations Committee on 15 April 1994, the Board will, at the first part of its forty-first session, analyse and assess the outcome of the Uruguay Round, in particular in areas of concern to developing countries and economies in transition concerned, and its impact on the international trading system and problems of implementation.

3. As a result of a comprehensive debate, in which 25 delegations and one non-governmental organization took part, the Board agreed that the successful conclusion of the Uruguay Round and the signing of the Final Act at Marrakesh was a milestone in the evolution of international economic relations and represented a victory for a rule-based multilateral trading system. The Uruguay Round agreements had a substantial potential for contributing, through the creation of new trading opportunities for all countries, to the world economic growth, and would serve to boost investment, job creation and further economic reforms, particularly in developing countries and economies in transition. This potential was, in particular, manifested in a substantial trade liberalization, strengthening of multilateral rules and disciplines to ensure more stability and predictability in trade relations, establishing rules and disciplines in new areas and founding the new institutional framework in the form of the World Trade Organization (WTO) with an integrated dispute settlement mechanism which should avoid unilateral actions against international trade rules.

4. The Board emphasized that the full and speedy implementation of the Round's results, including the early establishment of the World Trade Organization, should be considered as the most urgent priority in order to realize such potential. However, it was for countries and their business communities to make the best use of the new trading opportunities that the Uruguay Round agreements would bring.

5. It was also agreed that the Round was not a zero-sum game and was capable of assisting developing countries in achieving their objectives of economic growth and development, provided that disadvantaged developing countries were supported by the international community and were offered additional possibilities to offset negative situations as was agreed in the Final Act signed at Marrakesh. In the final run, only practical experience of the implementation

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[1] Originally circulated in TD/B/40(2)/L.3.

of agreements, including the efficiency of a new dispute settlement system to defend the interests of the weaker trading partners, could demonstrate a genuine impact of the Round's results on the international trading system and the trading opportunities of developing countries.

6. It was generally recognized that the developing countries had made a major contribution to the success of the Uruguay Round, particularly by accepting challenges and burdens of trade liberalization reforms and committing themselves to increased multilateral obligations in the post-Uruguay Round period. There were different opinions on the benefits which would accrue to developing countries from the Uruguay Round agreements. Many developing countries expected to enjoy new benefits following market access liberalization, both in goods and services, and particularly in the areas of textiles and agriculture. However, special concerns were raised regarding possible negative effects on the least developed countries, particularly those in Africa, and net food-importing developing countries, as well as on potential erosion of the GSP and other preferential schemes as a result of agreed tariff reductions. Some views were expressed that the Uruguay Round agreements should be implemented in a manner that favoured developing countries and that food aid and/or credits on concessional terms should be provided to them together with adjustments in the GSP schemes in order to accommodate their interests.

7. Another concern was associated with the new challenges facing developing countries, particularly the least developed countries, as a result of the Uruguay Round, with respect to their institutional capacities, human resource development and information management in order to pursue effectively their interests in the post-Uruguay Round trading system. The Board agreed that developing countries, and especially the least developed among them, may need substantially expanded technical assistance to be able to identify and utilize sustained benefits deriving from the Uruguay Round agreements.

8. The Board took note of a list of new issues, as contained in the concluding remarks of the Chairman of the Trade Negotiations Committee at Ministerial Level at Marrakesh on 15 April 1994. Views of various delegations on some of these issues were also noted.

9. The Board recalled UNCTAD's mandate and important role in the international trading system, noting its relevance as an institution that provided a forum for policy analysis; intergovernmental deliberation, consensus building and negotiation; monitoring, implementation and follow-up; and technical cooperation that took into account the special interests of developing countries on trade and development.

10. It was also recognized that there should be a constructive and effective cooperation between UNCTAD and the WTO based on the complementary functions of the two organizations. Arrangements between UNCTAD and ITC on the provision of technical assistance to developing countries in the area of trade should be strengthened.

11. The Board agreed that UNCTAD should:

(a) As a matter of priority, conduct, at the first part of the forty-first session of the Trade and Development Board, an in-depth

analysis and assessment of the outcome of the Uruguay Round, in particular in areas of concern to developing countries and economies in transition concerned, and its impact on the international trading system and problems of implementation;

(b) Organize regional seminars or workshops on the outcome and implementation of the Uruguay Round. Appropriate resources should be allocated for this purpose in order that the secretariat could conduct such seminars or workshops;

(c) Follow developments in the international trading system and identify new trading opportunities arising from the implementation of the Uruguay Round agreements in order to provide information and technical support with a view to facilitating the integration of developing countries and economies in transition concerned into the system, to assist these countries to take full advantage of new trading opportunities and enable them, when appropriate, to make use of the clauses which provide differential and more favourable treatment in accordance with the Final Act signed at Marrakesh;

(d) Prepare policy analysis and provide a forum for intergovernmental deliberation and global consensus-building on the new and emerging issues of the international trade agenda, such as trade and environment and competition policy, thus contributing to a better understanding of such issues, including their development implications for developing countries;

(e) Refocus and intensify, where necessary, its technical assistance in the light of the Uruguay Round agreements aiming to increase the capacities of developing countries, especially the least developed among them, as well as to the economies in transition concerned, for their effective participation in the international trading system, and to ensure an efficient cooperation with relevant international organizations, in particular with the WTO and ITC.

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Item 4: Sustainable development: the effect of internalization of external costs on sustainable development

Agreed conclusions 411 (XL): Sustainable development [1]

In accordance with conclusion 407 (XL) adopted at the first part of the fortieth session of the Trade and Development Board, the Board held an exchange of views on the effect of the internalization of external costs on sustainable development. Its discussion was aided and enriched by the excellent documentation

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[1] Originally circulated in TD/B/40(2)/SC.1/L.3.

prepared by the UNCTAD secretariat and the contributions of a panel of experts drawn from several regions.

The Board agreed that:

1. The internalization of external environmental costs is of general importance in the follow-up to UNCED, particularly in the light of the Rio Principles, especially Principle 16. Internalization will be an important instrument for achieving sustainable development. Internalization will also relate to the further evolution of multilateral discussions on trade and environment, in UNCTAD, WTO and elsewhere.

2. Internalization requires a careful balancing of equity and efficiency and, within the former, of intra- and inter-generational considerations of a domestic and international nature. It is a means towards the ultimate goal of the efficient avoidance of environmental costs, not a goal in itself.

3. Internalization may be accomplished in three basic ways, all of which may be used in combination. The regulatory approach has the advantage of ensuring compliance to strict quantity-related standards, but only if there is adequate enforcement. Market-based economic instruments are often the most cost-efficient and create a continuing incentive to reduce external environmental costs. Such instruments, however, make the true costs of environmental protection highly visible and require the existence of markets and administrative structures which may not be adequately developed in some countries. A third approach consists in undertaking public education and information programmes to alter the public's perception of environmental costs.

4. Success in achieving internalization within a given country is likely to be improved if attention is paid to the following elements, inter alia, of a potential policy mix:

(a) Attenuation or elimination of policies that distort resource allocation, in particular, environmentally unsound subsidies. Agricultural subsidies are of importance in this context, particularly those which have a trade effect;

(b) Correction of fundamental incentive failures, such as insecure or absent property rights, or unpriced resources;

(c) Gradual introduction of other internalization policies of a regulatory or economic nature. These could include product or emission charges, other economic instruments for internalization and the reinforcement of institutional capacity in the environmental area;

(d) Environmental impact assessment in public decision-making, in particular concerning public projects.

5. Sound macroeconomic policies, a strong fiscal system, the development of human resources in environmental management and administrative efficiency are essential for successful internalization.

6. In addition to measures at the national level, an efficient system of positive incentives at the international level would help to induce cooperative environmental protection with special attention directed towards developing countries, in line with Principle 7 of the Rio Declaration.

7. Trade has an essential role to play as a vehicle for internalization. The successful implementation of the results of the Uruguay Round, particularly in the areas of market access and subsidies, could contribute towards making internalization easier to accomplish. However, the contribution of trade liberalization to sustainable development will be achieved only when the liberalization is accompanied by government policies to ensure the adjustment of economic incentives to environmental objectives. The introduction of certain market-based instruments may also help to spur internalization, but care needs to be taken in designing and implementing them to avoid undue adverse effects on the exports of developing countries. Moreover, policies to internalize external environmental costs may affect competitiveness.

8. Commodity pricing issues and the coordination of internalization in commodity-based industries are central to making trade better serve the objectives of sustainable development. Commodity production and processing impose costs on the environment, and ultimately on those living in areas where these activities take place, which are rarely included in the market price. Mechanisms may be needed to deal with such market failures, without thereby diminishing the resources derived, particularly by the developing countries, from commodity exports.

9. External environmental costs frequently arise from the techniques of production rather than from the product. Technologies already available can provide solutions and potential future technologies hold out the prospect of substantial improvements in production techniques. The heavy financial costs associated with the transfer of "clean" technologies will, however, make necessary the adoption of cooperative approaches, which include, in particular, the private sector, to provide incentives for switching to more environmentally sound technologies.

10. Work in UNCTAD on the issue of internalization should now assume more specific directions. It is an important element within the programme on trade and environment outlined in Board conclusion 407 (XL). The issue of competitiveness will be considered at the first part of the Board's forty-first session. It would be useful to establish a special institutional mechanism for dealing with the interrelated areas of trade, environment and development. There is general agreement to undertake work in the Standing Committee on Commodities to examine the issue of the principle of full cost resource pricing and its implementation in support of sustainable development. There is also agreement that issues relating to financial aspects of sustainable development as well as to cooperative solutions to the problems associated with the transfer of environmentally sound technologies to developing countries deserve further consideration in UNCTAD.

11. Accordingly, the Board requests the Standing Committee on Commodities to begin examination at its third session of "global cooperation on the principle of full cost resource pricing and its implementation, in support of sustainable development".

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Item 5. Review of progress in the implementation of the Programme of Action for the Least Developed Countries for the 1990s

Decision 412 (XL): High-level Intergovernmental Meeting on the Mid-term Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s [1]

The Trade and Development Board,

Recalling the Paris Declaration and the Programme of Action for the Least Developed Countries for the 1990s, adopted by the Second United Nations Conference on the Least Developed Countries, and the Cartagena Commitment adopted at the eighth session of UNCTAD,

Further recalling General Assembly resolution 48/171 of 21 December 1993 in which it was decided, in paragraph 16, to convene a High-level Intergovernmental Meeting to conduct, in accordance with paragraph 140 of the Programme of Action and its resolution 45/206 of 21 December 1990, a Mid-term Global Review on the implementation of the Programme of Action in the early part of September 1995, or any other suitable date during the second half of 1995,

Recalling also that General Assembly resolution 48/171, in paragraph 18, requested the Trade and Development Board to consider, at its spring session in 1994, the elaboration of the preparatory activities for the Mid-term Global Review Meeting, including intergovernmental, expert, sectoral and inter-agency preparatory meetings and the substantive documentation,

Noting that the prime objective of the Programme of Action is to arrest the further deterioration in the socio-economic situation of the least developed countries, to reactivate and accelerate their growth and development, and in the process, to set them on the path of sustained growth and development,

Emphasizing that the Mid-term Global Review of the implementation of the Programme of Action provides a unique opportunity for the least developed countries and their development partners to take new measures with a view to enhancing the implementation of the Programme of Action during the rest of the 1990s,

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[1] Originally circulated in TD/B/40(2)/SSC/L.1/Rev.1, paragraph 4 of which was amended by the Board at its closing plenary meeting. For the statement of financial implications in connection with this decision, see section II.M and annex IV.

Stressing that adequate resources should be provided to ensure full and effective participation of LDCs in the High-level Intergovernmental Meeting and its preparatory process,

1. Recommends to the General Assembly that:

(a) The High-level Intergovernmental Meeting on the Mid-term Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s should be convened from 26 September to 6 October 1995, to be preceded by a one-day meeting of senior officials on 25 September 1995;

(b) The High-level Intergovernmental Meeting should, in accordance with General Assembly resolution 45/206, carry out the mid-term global review of the situation of LDCs, consider new measures as necessary, and accordingly report to the General Assembly on progress made in the implementation of the Programme of Action;

(c) In order to prepare for the High-level Intergovernmental Meeting, one session of the Meeting of Governmental Experts of Donor Countries and Multilateral and Bilateral Financial and Technical Assistance Institutions with Representatives of the Least Developed Countries should be convened in early 1995 for the duration of one week;

(d) Regional follow-up meetings should be organized by the relevant United Nations regional commissions, in close co-ordination with UNCTAD;

(e) Sectoral appraisals should be undertaken by United Nations system agencies in their respective fields;

(f) An inter-agency meeting should be convened in early 1995;

2. Welcomes the steps initiated by the UNCTAD secretariat to convene preparatory expert group meetings and urges donors to provide adequate extrabudgetary resources for that purpose, including for the preparation of substantive documentation;

3. Invites the Secretary-General of UNCTAD to start consultations as soon as possible, in accordance with General Assembly resolution 48/171 of 21 December 1993, with a view to enabling the General Assembly at its forty-ninth session to decide on the venue for the High-level Intergovernmental Meeting;

4. Recommends to the General Assembly to defray the cost of participation of two representatives from each LDC in the High-level Intergovernmental Meeting through reallocation of existing resources of the regular budget, if necessary. Extrabudgetary resources should also be explored for this purpose;

5. Requests the General Assembly to ensure that UNCTAD has sufficient resources and capacity to make necessary preparations for the High-level Intergovernmental Meeting and its follow-up;

6. Requests the Secretary-General of UNCTAD to submit to the Trade and Development Board at its forty-first session, second part, a report on the progress made in the implementation of the present decision.

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Agreed conclusions 413 (XL): Review of progress in the implementation of the Programme of Action for the Least Developed Countries for the 1990s [6]

Introduction

1. The Trade and Development Board, in accordance with General Assembly resolution 45/206 of 21 December 1990, conducted the fourth annual review of progress in the implementation of the Programme of Action for the Least Developed Countries for the 1990s, with the Least Developed Countries 1993-1994 Report (TD/B/40(2)/11-UNCTAD/LDC(1993)) as the background document. Delegations commended the UNCTAD secretariat for the high quality of this Report which contained very useful information and analyses. The Board noted that it is the only Report of the United Nations system which focuses exclusively on the development problematique of the LDCs and that it is of particular value to the Governments of these countries and their development partners. The Board emphasized the focal role of UNCTAD with regard to issues pertaining to LDCs and, in that connection, recalled that General Assembly resolution 48/171 called upon UNCTAD to initiate further innovative measures to provide and mobilize financial and technical support for the effective implementation of the Programme of Action. It stressed that the international community should provide full support to the activities of UNCTAD in this regard. In order to ensure that LDCs are given the special attention they require, the Board stressed that the issues pertaining to this group of countries should be more fully integrated in the work of UNCTAD.

2. The Board also had an informal exchange of views and a fruitful debate on country-level experience with the implementation of the Programme of Action. The participation of Ministers and high-ranking officials and experts from LDCs and their development partners in the informal meetings contributed significantly to a constructive dialogue.

Recent growth performance

3. The Board was encouraged to find that roughly one quarter of the least developed countries had achieved good growth with per capita output rising during the early 1990s. However, for LDCs as a whole, per capita income had declined during this period, leading to deteriorating living conditions, particularly in many African LDCs. The Board was concerned that the development outlook of most LDCs remained sombre. Unpredictable weather conditions, natural disasters and the unfavourable external situation continued to contribute to the poor

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[6] Originally circulated in TD/B/40(2)/SSC/L.3.

performance of LDCs. Political conflicts and civil strife in some LDCs had serious implications for their development prospects, and it was important to bring such conflicts to an early and peaceful settlement.

Human capacity building

4. The Board underscored that investment in basic education, training and health care was the foundation on which to build sustainable growth and development in LDCs. Concern was expressed at the loss of scarce skilled human resources from LDCs and the Board stressed the need for effective incentives to retain these resources. The Board pointed out that policies in the areas of education, training and health care could be further improved without detriment to other important sectors of expenditure. An important reason for LDCs to give higher priority to health and education was their impact on demographic trends: there was a positive correlation between enhanced status and better education and health of women and lower birth rates and improved productivity.

Adjustment and reforms

5. The Board noted with appreciation that in recent years most LDCs had embarked on a process of structural adjustment and wide-ranging reforms, including privatization. This process could guarantee neither immediate results nor equitable sharing of costs and benefits, but the efforts of these countries provided a context in which growth and structural transformation could reinforce each other. External financing was often critical to tnis process. There was evidence that ambitious and sustained economic reforms, underpinned by external support, had improved the economic performance of a number of LDCs. Donor countries were invited to provide adequate resources for the implementation of these programmes. The need for LDCs' ownership of adjustment and reform programmes and for continued commitment of both LDCs and their development partners to their sustained implementation were stressed. It was recommended that the adjustment packages should be consistent with long-term priorities of LDCs and take into consideration possible social and political consequences. These reforms should also take into account the diversity of conditions and circumstances in the countries concerned and be implemented in a flexible manner.

ODA and debt

6. The Board noted with great concern that ODA remained the single most important source of external financing for LDCs. It welcomed improved aid performance by some donors and strongly urged all donors to make urgent and intensified efforts to fulfil the ODA targets and commitments undertaken in the Programme of Action. The Board was of the view that greater priority should be accorded to social-sector programmes in allocating ODA. The donor countries were invited to adjust upwardly the aid targets and commitments contained in the Programme of Action so as to reflect fully the additional resource requirements of the LDCs, including those added to the list of LDCs following the Second United Nations Conference on the Least Developed Countries.

7. The Board noted with concern that the debt burden of LDCs, particularly those in Africa, was a serious constraint to their development. Appreciation was expressed for cancellations of ODA debt of LDCs undertaken by many creditor countries, and for the enhanced measures taken in the Paris Club to alleviate

LDCs' debt. The donor countries were asked to continue with these measures. These measures, however, had not been adequate for debt-distressed LDCs. It was emphasized by many countries that much stronger initiatives were required to improve the current terms of debt-relief for bilateral official debt. The Board noted with particular concern the increasing share of multilateral obligations in the overall debt stock and debt servicing of LDCs. The LDCs, and some donors, called for improvement and continuation of the scope and coverage of existing debt relief schemes and mechanisms, including those relating to debt service obligations to multilateral institutions. In this connection many countries welcomed initiatives such as the replenishment through IMF/ESAF provided to alleviate this part of LDCs' debt. The Board drew attention to the commercial debt of LDCs and called for further action for the alleviation of such debt.

External trade

8. The Board noted that the extremely low export capacity of most of the LDCs continued to be one of the major obstacles to growth and a source of their special dependence on ODA for financing, necessary investment, imports and technical support for development. The Board welcomed the adoption of trade liberalization policies and measures by an increasing number of LDCs; however, difficulties persisted in expanding their external trading opportunities. Commodity and market diversification measures had been rendered difficult principally by lack of investment, technology and skills to augment levels of production and efficiency. UNCTAD should undertake a careful examination of the implications and opportunities for the LDCs of the Final Act of the Uruguay Round and suggest measures for removing any imbalances through, inter alia, additional trade preferences, financial assistance and debt relief. The special and differential measures for LDCs included in the Final Act should be implemented expeditiously and in a supportive manner. UNCTAD and ITC, according to their competence, should also provide technical assistance to LDCs in order to strengthen their capacity to implement the provisions of the Final Act of the Uruguay Round and to derive full benefits from the results of the Round. The provision of such assistance would be enhanced through further continued cooperation between UNCTAD and GATT/WTO.

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29 April 1994

Item 6: UNCTAD's contribution to the United Nations New Agenda for the Development of Africa in the 1990s: investment promotion, foreign direct investment, transfer of technology

Agreed conclusions 414 (XL): United Nations New Agenda for the Development of Africa in the 1990s [1]

1. Under agenda item 6, the Trade and Development Board held a fruitful exchange of views on the specific issues relating to investment promotion, foreign direct investment and transfer of technology to Africa. The Board's deliberations identified factors that still restrain investment inflows to

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[1] Originally circulated in TD/B/40(2)/SC.2/L.3.

Africa, as well as possible responses by the African countries, UNCTAD and the international community in general. The UNCTAD secretariat report (TD/B/40(2)/9) provided the background for the Board's work. Also, the work of the three Ad Hoc Working Groups on (a) Investment and Financial Flows; Non-debt-creating Finance for Development; New Mechanisms for increasing Investment and Financial Flows; (b) the Interrelationship between Investment and Technology Transfer; and (c) Comparative Experiences with Privatization has already provided the framework for responding to some of these issues.

2. In accordance with paragraph 6 of agreed conclusions 403 (XXXIX) adopted by the Board at the second part of its thirty-ninth session, the successful outcome of the Tokyo Conference on African Development, held in October 1993, was reported on and welcomed.

3. The Board agrees that:

(a) The economic situation in most African countries continues to deteriorate, and effective measures to reverse the situation with the aim of attracting, promoting and retaining investment, including increased financial flows, are needed;

(b) Sound and sustainable macroeconomic policies, political stability, good governance, physical and institutional infrastructure and human resource development are a prerequisite for encouraging increased investment in Africa;

(c) Creating the legal, economic, and social conditions conducive to domestic investment has also proved to be effective in attracting foreign investment.

4. The Board invites African countries to:

(a) Initiate or continue reforms of legal and regulatory frameworks in order to improve the business environment, both for domestic and for foreign investment;

(b) Undertake and maintain efforts to create macroeconomic stability and carry out appropriate structural adjustment and liberalization policies;

(c) Take concrete steps to facilitate the development of local private enterprises and to involve the private sector in policy formulation;

(d) Strengthen local capital markets, including new or expanded stock exchanges and specialized financial institutions, providing equity and loan capital to small and medium-size enterprises;

(e) Raise the level of investment in human capital, in particular in the literacy and numeracy of the general population;

(f) Facilitate regional integration and cooperation, in particular in the areas of laws and regulations pertaining to the conduct of trade

and investment, by strengthening and rationalizing existing regional intergovernmental mechanisms;

(g) Take steps to enable enterprises to benefit from foreign portfolio investments, inter alia, through the development of appropriate financial institutions.

5. The Board urges the international community to:

(a) Assist and support African countries in pursuing the above endeavour by creating new, wherever possible, and strengthening existing, channels of assistance and programmes of support in areas such as human resource development and technology transfer, in particular, through research and development centres, and support studies regarding the feasibility of the establishment of financial institutions, creation and reform of legal and regulatory frameworks pertaining to business conduct, creation of investment guarantee mechanisms and strengthening and developing of the financial sector;

(b) Reaffirm that the conceptual framework and implementation of structural adjustment policies should be improved by recognizing that these programmes and reforms induce social and adjustment costs and assist African countries to mitigate these effects;

(c) Assist African countries in disseminating information on investment opportunities in Africa, investment promotion programmes, and the improved investment environment resulting from the initiatives taken by African Governments;

(d) Intensify efforts to alleviate the debt burden, according to provisions in the United Nations New Agenda for the Development of Africa in the 1990s;

(e) Continue supporting Africa's development efforts by meeting their ODA commitments and targets.

6. The Board requests the UNCTAD secretariat, within UNCTAD's mandate, and where appropriate in cooperation with relevant agencies of the United Nations system, to:

(a) Ensure that, in accordance with the Board decision taken at its thirty-ninth session, first part,[8] the needs of African countries be taken fully into account in its activities;

(b) Propose ways and means of:

(i) Creating a sound business environment in such areas as accountancy, legal and regulatory frameworks, dispute settlement and arbitration mechanisms, and investment guarantee mechanisms, through technical assistance programmes,

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[8] See TD/B/39(1)/15, part I, section B.6.

seminars and training, conferences, compilation of existing national regulations on investment, etc.;

(ii) Providing assistance in promoting the development of private enterprises by, inter alia, facilitating networking of private enterprises through such organs as Chambers of Commerce, studying the applicability of various credit creation mechanisms to Africa, and exploring and studying creative ways to promote private enterprise development, such as joint enterprises and management contracts;

(iii) Providing technical assistance to financial institutions, such as commercial and development banks and insurance companies, and conducting feasibility studies for creating and strengthening the effectiveness of local capital markets;

(iv) Facilitating human resources development in such areas as education, management, technology and engineering, accounting and finance by providing and expanding training programmes such as TRAINFORTRADE or facilitating cooperative programmes, using, inter alia, qualified manpower provided by other countries.

(c) Facilitate and assist the dissemination of information on business and investment opportunities in Africa, investment promotion programmes, and the improved investment environment resulting from reforms in such areas as legal and regulatory frameworks; move promptly to respond to requests to establish Trade Points as a way to increase information on trade and investment opportunities;

(d) Promote technical assistance programmes that encourage capacity-building with a view to augmenting Africa's own capacity, and in particular putting in place a sound technological base.

Future work of the Board

7. The Board requests the UNCTAD secretariat to report to it in progress reports on the follow-up to these activities.

8. The Board requests the UNCTAD secretariat to prepare and present, to the second part of the forty-first session of the Board, an evaluation of UNCTAD's contribution to the implementation of the United Nations New Programme for the Development of Africa in the 1990s.

9. The Board invites Governments to consider making extrabudgetary contributions to enable the UNCTAD secretariat to carry out the above activities.

841st plenary meeting
29 April 1994

B. Other action

Item 7. Review and evaluation of work programmes (mid-term)

At its 841st plenary meeting, on 29 April 1994, the Trade and Development Board noted that the Officer-in-charge of UNCTAD had chaired two meetings (the 5th and 6th meetings) of the Mid-term Review Informal Working Group in the course of the second part of the fortieth session. The Board noted further that the Officer-in-charge of UNCTAD would report on the outcome of the Mid-term Review Informal Working Group to the Board at the resumed second part of the fortieth session to be held from 25 to 27 May 1994.

Item 8. Other matters in the field of trade and development: Report of the Joint Advisory Group on the International Trade Centre UNCTAD/GATT on its twenty-sixth session

At its 835th meeting, on 19 April 1994, the Board took note of the report of the Joint Advisory Group on the International Trade Centre UNCTAD/GATT on its twenty-sixth session (ITC/AG(XXVI)/139 and Add.1, distributed under cover of TD/B/40(2)/8) and the comments made thereon.

Item 9. Reports and activities of the subsidiary bodies of the Board: matters requiring action

This item was dealt with by the Trade and Development Board at its fifth (pre-sessional) executive session, held on 8 April 1994 (see TD/B/EX(5)/2, section II).

Item 10. Arrangements for the celebration of the thirtieth anniversary of UNCTAD [2/]

1. The first event to be organized in celebration of the thirtieth anniversary of UNCTAD - namely, the Sixth Raúl Prebisch Lecture - was held on 29 April 1994. The Lecture, entitled "Globalization, economic restructuring and development", was delivered by Professor John H. Dunning, Professor of International Business, State University of New Jersey, Rutgers.

2. At the 841st (closing) meeting, on 29 April 1994, the representative of **Japan** said that his delegation was fully aware that the celebration of the thirtieth anniversary of UNCTAD offered an excellent opportunity to secure wide publicity for the evolution of UNCTAD since UNCTAD VIII and, in particular, the new orientations provided by the Conference. His Government had been trying to bring about a better understanding among the public of the useful activities UNCTAD had been undertaking.

3. He recalled that the progress report on this issue submitted to the fifth executive session of the Board (TD/B/EX(5)/CRP.1) indicated that a project

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[2/] The Board considered this item also at its fifth (pre-sessional) executive session, on 8 April 1994 (see TD/B/EX(5), section III).

document had been submitted to ESCAP for the organization of a regional seminar for the Asia-Pacific area, and that it would be submitted to the Japanese Government for possible financing. His delegation was pleased to announce that the Government of Japan had decided, in principle, to participate in the financing of the seminar in order to contribute to the celebration of the thirtieth anniversary. His Government warmly welcomed the kind offer of the Government of China to host this seminar in Beijing. It was the earnest hope of his delegation that the seminar would prove to be most fruitful and provide a valuable input to the symposium which the Government of Switzerland had kindly offered to host and finance.

4. The **President**, on behalf of the members of the Board, thanked the Government of Japan for the generous offer it had made.

Action by the Board

5. At its 841st plenary meeting, on 29 April 1994, the Board agreed that the President of the thirty-ninth session of the Board would continue to follow the arrangements for the celebration of the thirtieth anniversary of UNCTAD in the period ahead and on into the forty-first session of the Board.

II. PROCEDURAL, INSTITUTIONAL, ORGANIZATIONAL, ADMINISTRATIVE AND RELATED MATTERS

A. Opening of the session

1. The second part of the fortieth session of the Trade and Development Board was opened by Mr. Al Sherif Fawaz Al Sharaf (Jordan), President of the Board at its fortieth session. The President made an opening statement (see introduction, paras. 1 to 8).

B. Bureau of the Board

2. At its 834th (opening) meeting, on 18 April 1994, the Board took note that Mr. Akio Ijuin (Japan) had been replaced by Mr. Shohei Naito (Japan) as Vice-President.

3. Accordingly, the Bureau of the Board at the second part of its fortieth session was as follows:

President:	Mr. Al Sherif Fawaz Al Sharaf (Jordan)
Vice-Presidents:	Mr. Yuri Afanassiev (Russian Federation) Mr. Satish Chandra (India) Mr. Mohamed Ennaceur (Tunisia) Mr. Ioannis Kinnas (Greece) Mr. Shohei Naito (Japan) Mr. Richard A. Pierce (Jamaica) Mr. A. Pinoargote-Cevallos (Ecuador) Mr. Clarke Rodgers Jr. (United States) Mr. Ali Ahmed Sahloul (Sudan) Mr. Zdenek Venera (Czech Republic)
Rapporteur:	Mr. Marcel C.P. Van der Kolk (Netherlands)

C. Adoption of the agenda and organization of the work of the session

(Agenda item 1 (a))

4. At its 834th meeting, the Board adopted the provisional agenda for the second part of its fortieth session as in section I of TD/B/40(2)/1. (The agenda as adopted is reproduced in annex I below).

5. The Board also endorsed the proposals for the organization of work of the session contained in TD/B/40(2)/1/Add.2.

6. At the 835th meeting, on 19 April 1994, the President informed the Board that, in response to the request by the delegation of the United States of America for an additional item concerning "Preparations for the United Nations International Symposium on Trade Efficiency" to be included in the agenda, the Bureau had agreed that this matter should be taken up under item 12 (Other business).

D. Establishment of sessional bodies

7. At its 834th meeting, the Board established two Sessional Committees of the whole and a Special Sessional Committee, allocating agenda items to them for consideration and report as follows:

Sessional Committee I

Trade policies, structural adjustment and economic reform (item 2)

Sustainable development (item 4)

Sessional Committee II

UNCTAD's contribution to the implementation of the United Nations New Agenda for the Development of Africa in the 1990s (item 6)

Special Sessional Committee

Review of progress in the implementation of the Programme of Action for the Least Developed Countries for the 1990s (item 5)

8. The Board agreed that those officers elected to serve on the Sessional Committees at the first part of the session should be retained to serve in the same capacities at the second part of the session and that the officers serving on Sessional Committee II would also serve on the Special Sessional Committee.

9. The Board elected Mr. Jigmi Thinley (Bhutan) as Chairman of Sessional Committee II and the Special Sessional Committee, to replace Mr. Leslie Gatan (Philippines), who had been transferred from Geneva.

10. Accordingly, the officers serving on the sessional bodies were as follows:

Sessional Committee I

Chairman:	Mr. Antti Hynninen (Finland)
Vice-Chairman-cum-Rapporteur:	Mr. Evgueni Manakine (Russian Federation)

Sessional Committee II and Special Sessional Committee

Chairman:	Mr. Jigmi Y. Thinley (Bhutan)
Vice-Chairman-cum-Rapporteur:	Mr. Hermann Aschentrupp-Toledo (Mexico)

11. At its 841st (closing) meeting, on 29 April 1994, the Board took note of the reports of Sessional Committee I (TD/B/40(2)/SC.1/L.1 and Add.1), Sessional Committee II (TD/40(2)/SC.2/L.1) and the Special Sessional Committee (TD/B/40(2)/SSC/L.2 and Add.1), and decided that they should form an integral part of the summary of proceedings in volume II of the report of the Board on the second part of its fortieth session.

E. Adoption of the report on credentials

(Agenda item 1 (b))

12. At its 841st (closing) meeting, on 29 April 1994, the Board adopted the report submitted by the Bureau on the credentials of the representatives attending the second part of the fortieth session (TD/B/40(2)/12).

F. Provisional agenda for the first part of the forty-first session of the Board

(Agenda item 1 (c))

13. At the same meeting, the Board approved the provisional agenda for the first part of its forty-first session (TD/B/40(2)/L.4, pp. 1-2), on the understanding that the provisional agenda would be reviewed in the light of the outcome of the mid-term review to be undertaken at the resumed second part of its fortieth session (25-27 May 1994). (For the provisional agenda, see annex II below).

G. Provisional agenda for the pre-sessional executive session of the Board in September 1994

(Agenda item 1 (d))

14. At the same meeting, the Board approved the provisional agenda for the pre-sessional executive session of the Board in September 1994 (TD/B/40(2)/L.4, p.3), on the understanding that the provisional agenda would be reviewed in the light of the outcome of the mid-term review to be undertaken at the resumed second part of its fortieth session (25-27 May 1994). (For the provisional agenda, see annex III below).

H. Designation of the President of the forty-first session of the Board

(Agenda item 1 (e))

15. At the fifth (pre-sessional) executive session of the Board (8 April 1994), to which this item had initially been allocated, the President had drawn attention to the fact that, in accordance with the cycle for the rotation of the office of President of the Board, the President at the forty-first session would be a representative of one of the States in List C (Latin America). The Board

had taken note that consultations were still in progress with the Latin American and Caribbean Group and had decided to revert to the matter again at the second part of its fortieth session.

16. At its 841st (closing) meeting, on 29 April 1994, the Board agreed by acclamation to designate H.E. Mr. Richard M. Pierce (Jamaica) as President of the Trade and Development Board at its forty-first session.

I. Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure of the Board

(Agenda item 11 (d))

17. At its 835th meeting, on 19 April 1994, the Board approved the application of the Commonwealth of Independent States (CIS) for designation under rule 76 of the rules of procedure of the Board. Information on this organization was contained in document TD/B/40(2)/R.1 (now de-restricted).

18. At the same meeting, the Board took note that the Arab Industrial Development Organization (AIDO), an intergovernmental organization which had been granted status by the Board at its eighteenth session, had changed its name to the Arab Industrial Development and Mining Organization (AIDMO) and now consisted of the former AIDO, the Arab Organization for Standardization and Metrology (ASMO) and the Arab Organization for Mineral Resources (AOMR).

J. Designation and classification of non-governmental organizations for the purposes of rule 77 of the rules of procedure

(Agenda item 11 (e))

19. Also at its 835th meeting, the Board approved the application of the Latin American Parliament for designation under rule 77 of the rules of procedure of the Board and decided, in accordance with the recommendations of the Secretary-General of UNCTAD (See TD/B/40(2)/R.2 now de-restricted) and of the Bureau, to classify the organization in the general category under the terms of paragraph 12 (a) of Board decision 43 (VII).

20. The spokesman for the Latin American and Caribbean Group (Peru) made a brief statement to express the pleasure of his Group on the designation by the Board of the Latin American Parliament as a non-governmental organization in status with UNCTAD. He stated that this organization, which was made up of democratically elected parliamentarians from various countries in the Latin American region, was an entity which had been involved in promoting the economic and political interests of the region and as such could make a valuable substantive contribution to the work of UNCTAD.

21. Finally, the Board noted that the International Foundation for Development Alternatives (IFPA), a non-governmental organization which had been granted status in the General Category by the Board at its eighteenth session, had informed the secretariat that the Foundation was currently inactive and that a

resumption of its activities was unlikely. Accordingly, the Board noted that IFDA had been withdrawn from the list of non-governmental organizations in status with UNCTAD and would be deleted from document TD/B/INF.107/Rev.6.

K. Status of the European Community in the Special Committee on Preferences

(Agenda item 11 (f))

22. At the 835th meeting, on 19 April 1994, the spokesman for the **European Union** (Greece) referred to the proposal set forth in the explanatory memorandum circulated in TD/B/40(2)/22 to upgrade the status of the European Community in the Special Committee on Preferences and called on the Board to examine the proposal. He recalled that the European Community had been participating in UNCTAD proceedings with observer status since 1964. The Community had its own competence on restrictive business practices and on trade preferences. This power was exclusive and he affirmed that the Community, in order to exercise its responsibilities, should have been granted in the Special Committee on Preferences the same status as the one it currently enjoyed in the Intergovernmental Group of Experts on Restrictive Business Practices.

Action by the Board

23. At the same meeting, the Board decided to mandate the President, in consultation with the UNCTAD Senior Legal Adviser, to conduct consultations on this item and to report on the outcome to the Board at its current session.

24. At its 841st (closing) meeting, the Board, noting the written communication received from the Chairman of the Group of 77 in Geneva (circulated in TD/B/40(2)/CRP.3) and having been informed of the outcome of the consultations on this item, agreed that there was a need for further consultations among delegations before a definitive decision could be arrived at. The President was requested to decide on the format and calendar of these consultations.

L. Review of the calendar of meetings

(Agenda item 11 (g))

25. At the 841st (closing) meeting, on 29 April 1994, the **Chief of the Conference Affairs Service** reported that the Group on Calendar Matters, at its meeting on 27 April 1994, had agreed to recommend that the Board approve the calendar of meetings as in TD/B/40(2)/L.1 up to and including the first part of the forty-first session of the Board (starting on 19 September 1994), subject to any adjustments that might become necessary in the light of developments and also in the light of the forthcoming mid-term review. The Group had also recommended that the Board approve the calendar for the remainder of 1994 and the indicative calendar for 1995 for planning purposes. Finally, the Group had recommended that the calendar item on the Board's agenda remain open and be reviewed in the light of the results of the mid-term review to be undertaken by the Board at its resumed session (25-27 May 1994).

Action by the Board

26. At the same meeting, the Board endorsed the above recommendations of the Group on Calendar Matters and approved the calendar of UNCTAD meetings in TD/B/40(2)/L.1. [10]

M. Administrative and financial implications of the actions of the Board

(Agenda item 11 (h))

27. At its 841st (closing) meeting, on 29 April 1994, the Board took note of the statement of financial implications made by the Director of the Division for Programme Support and Management Services in connection with the adoption of decision 412 (XL) (cf. section I.A above). [11]

N. Other business

(Agenda item 12)

1. Terms of reference for the Ad Hoc Working Group to Explore the Issue of Structural Adjustment for the Transition to Disarmament

28. At its 839th meeting, on 28 April 1994, the Board decided that this item would be discussed at the resumed second part of the fortieth session of the Board dealing with the mid-term review, in May 1994. The proposals made by the European Union and by the Russian Federation would be taken into account at the mid-term review (cf. the discussion under this item in TD/B/40(2)/24(Vol.II)). Noting that the provisional agenda for the first part of the forty-first session of the Board would also be discussed at the resumed session in May, the Board agreed that it would be able to decide then whether to refer the item forward to the first part of its forty-first session.

2. Preparations for the United Nations International Symposium on Trade Efficiency

29. At the 840th plenary meeting, on 28 April 1994, Mrs. E. Shelton (United States of America), Chairperson of the Ad Hoc Working Group on Trade Efficiency, made a statement on the "Preparation for the United Nations International Symposium on Trade Efficiency", to be held in October 1994. A presentation was also made by a representative of the host city (Columbus, Ohio). These presentations were followed by a question-and-answer session.

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[10] The calendar of meetings was subsequently issued in TD/B/40(2)/INF.2.

[11] For the statement of financial implications, see annex IV below.

O. Adoption of the report of the Board

(Agenda item 13)

30. At its 841st (closing) meeting, on 29 April 1994, the Trade and Development Board adopted the draft report on the second part of its fortieth session (TD/B/40(2)/L.2 and Add.1-5), authorizing the Rapporteur to complete the final report with the proceedings of the closing plenary meeting and to incorporate any amendments submitted by delegations. The Board further requested the Rapporteur, under the authority of the President, to prepare the Board's report to the General Assembly.

ANNEXES

Annex I

AGENDA FOR THE SECOND PART OF THE FORTIETH SESSION OF THE TRADE AND DEVELOPMENT BOARD a/

1. Procedural matters:

   (a) Adoption of the agenda and organization of the work of the session;

   (b) Adoption of the report on credentials;

   (c) Provisional agenda for the first part of the forty-first session of the Board;

   (d) Provisional agenda for the pre-sessional executive session of the Board in September 1994;

   (e)* Designation of the President of the forty-first session of the Board

2. Trade policies, structural adjustment and economic reform:

   Increased participation in international trade in goods and services by developing countries and economies in transition: some problems and opportunities

3. Developments and issues in the Uruguay Round of particular concern to developing countries

4. Sustainable development:

   The effect of internalization of external costs on sustainable development

5. Review of progress in the implementation of the Programme of Action for the Least Developed Countries for the 1990s

6. UNCTAD's contribution to the implementation of the United Nations New Agenda for the Development of Africa in the 1990s:

   Investment promotion, foreign direct investment, transfer of technology

7. Review and evaluation of work programmes (mid-term) b/

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a/ Adopted by the Board at its 834th (opening) meeting, on 18 April 1994.

b/ Item to be concluded at the resumed second part of the fortieth session of the Board (25-27 May 1994).

8. Other matters in the field of trade and development

   (a) Report of the Joint Advisory Group on the International Trade Centre UNCTAD/GATT on its twenty-sixth session

9.* Reports and activities of the subsidiary bodies of the Board: matters requiring action

10.** Arrangements for the celebration of the thirtieth anniversary of UNCTAD

11. Institutional, organizational, administrative and related matters:

   (a)* Treatment of new States members of UNCTAD for purposes of elections;

   (b)* Membership of the Trade and Development Board;

   (c)* Membership of the Standing Committees and Ad Hoc Working Groups;

   (d) Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure of the Board;

   (e) Designation and classification of non-governmental organizations for the purposes of rule 77 of the rules of procedure of the Board;

   (f) Status of the European Community in the Special Committee on Preferences

   (g) Review of the calendar of meetings;

   (h) Administrative and financial implications of the actions of the Board

12. Other business

13. Adoption of the report of the Board.

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* Items allocated to the fifth (pre-sessional) executive session for action.

** Item allocated to the pre-sessional executive session but left open for further discussion at the current regular session.

Annex II

PROVISIONAL AGENDA FOR THE FIRST PART OF THE FORTY-FIRST SESSION OF THE TRADE AND DEVELOPMENT BOARD */

1. Procedural matters:

   (a) Election of officers

   (b) Adoption of the agenda and organization of the work of the session

   (c) Adoption of the report on credentials

   (d) Provisional agenda for the second part of the forty-first session of the Board

   (e) Provisional agenda for the pre-sessional executive session of the Board (Spring 1995)

2. International implications of macroeconomic policies and issues concerning interdependence: elements of successful growth and adjustment strategies

3. Follow-up to the recommendations of the Conference at its eighth session:

   [To be completed in the light of developments]

4. Sustainable development: trade and environment: the impact of environment-related policies on export competitiveness and market access

5. Analysis and assessment of the outcome of the Uruguay Round, in particular in areas of concern to developing countries and economies in transition concerned, and its impact on the international trading system and problems of implementation

6. Celebration of the thirtieth anniversary of UNCTAD

7. UNCTAD's assistance to the Palestinian people

8. Other matters in the field of trade and development:

   (a) Progressive development of the law of international trade: twenty-sixth annual report of the United Nations Commission on International Trade Law;

   (b) United Nations International Symposium on Trade Efficiency;

   [to be completed in the light of developments]

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*/ Approved by the Board at its 841st (closing) meeting, on 29 April 1994 (cf. section II.F above). The provisional agenda will be reviewed in the light of the outcome of the mid-term review at the resumed session of the Trade and Development Board (25-27 May 1994).

9. Institutional, organizational, administrative and related matters:

   (a) Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure of the Board;

   (b) Designation and classification of non-governmental organizations for the purposes of rule 77 of the rules of procedure of the Board;

   (c) Review of the calendar of meetings;

   (d) Administrative and financial implications of the actions of the Board

10. Other business

11. Adoption of the report of the Board.

Annex III

PROVISIONAL AGENDA FOR THE (PRE-SESSIONAL) EXECUTIVE SESSION (Autumn 1994) */

1. Adoption of the agenda of the session

2. Institutional, organizational, administrative and related matters

   (a) Treatment of new States members of UNCTAD for the purposes of elections

   (b) Membership of the Trade and Development Board

   (c) Membership of the Standing Committees and Ad Hoc Working Groups

   (d) Membership of the Working Party on the Medium-term Plan and the Programme Budget for 1995

3. Nomination of officers for the Bureau and Sessional Committees of the forty-first session of the Board

4. Reports and activities of the subsidiary bodies of the Board: matters requiring action

   [to be completed in the light of developments]

5. Contribution of the Trade and Development Board to the celebration of the fiftieth anniversary of the United Nations

6. Outcome of the mid-term review (May 1994): matters requiring follow-up

7. Preliminary arrangements for the ninth session of the Conference

8. Other business

9. Report of the (pre-sessional) executive session of the Board.

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*/ Approved by the Board at its 841st (closing) meeting, on 29 April 1994 (cf. section II.G above).

Annex IV

STATEMENT OF FINANCIAL IMPLICATIONS IN CONNECTION WITH THE ADOPTION OF DECISION 412 (XL) */

1. On 27 April 1994, the Special Sessional Committee of the Trade and Development Board recommended for adoption by the Board draft decision TD/B/40(2)/SSC/L.1/Rev.1, in which the Board would recommend to the United Nations General Assembly a series of activities, including, inter alia, a High-level Intergovernmental Meeting on the Mid-term Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s, a session of the Meeting of Governmental Experts of Donor Countries and Multilateral and Bilateral Financial and Technical Assistance Institutions with Representatives of the Least Developed Countries, and a recommendation that the General Assembly defray the cost of participation of two representatives from each least developed country in the High-level Intergovernmental Meeting.

2. As already stated orally to the Special Sessional Committee by the Chief of the UNCTAD Administrative Service, the Meeting of Governmental Experts of Donor Countries and Multilateral and Bilateral Financial and Technical Assistance Institutions with Representatives of the Least Developed Countries would give rise to conference servicing costs estimated at $145,000, which is to be absorbed within the existing resources allocated to the Conference Services Division of the United Nations in Geneva. This is in addition to the cost of $526,000 in conference servicing which would arise from the High-level Intergovernmental Meeting itself. The Secretary-General of the United Nations has already informed the General Assembly earlier in 1994 that this cost would also be absorbed by the Conference Services Division.

3. In addition, the secretariat had informed the Special Sessional Committee that the cost to the 1994-1995 regular budget of the participation of two representatives from each least developed country would amount to $535,000 for which there was no provision in the current programme budget.

4. At the final meeting of the Special Sessional Committee, paragraph 4 of the draft decision had been amended, recommending that the cost of participation of representatives from the least developed countries be funded from reallocation of existing resources of the regular budget of the United Nations or from extra-budgetary resources.

5. There has not been enough time to consult the Office of the Controller in order to ascertain the position of the United Nations Secretary-General on the issue reflected in the amendment to paragraph 4 of the decision. The secretariat is able to confirm that the estimates for the cost of participation of LDCs delegates remains unchanged, but needed to reserve the position of the United Nations Secretary-General regarding the amendment to paragraph 4 of the decision.

6. Accordingly, additional statements of programme budget implications, if any, which the Secretary-General of the United Nations might wish to make in connection with decision 412 (XL) would be presented to the Economic and Social Council at its next session when it considered the report of the Trade and Development Board on the second part of its fortieth session.

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*/ Cf. section I.A and section II.M above.

Annex V

MEMBERSHIP AND ATTENDANCE */

1. The following States members of UNCTAD, members of the Board, were represented at the session:

Afghanistan
Albania
Algeria
Angola
Argentina
Australia
Austria
Azerbaijan
Bangladesh
Belarus
Belgium
Bhutan
Bolivia
Brazil
Bulgaria
Burkina Faso
Burundi
Cameroon
Canada
Chile
China
Colombia
Costa Rica
Côte d'Ivoire
Cuba
Czech Republic
Democratic People's Republic of Korea
Denmark
Ecuador
Egypt
Ethiopia
Finland
France
Gabon
Germany
Greece
Haiti
Hungary
India
Indonesia
Iran (Islamic Republic of)
Iraq
Ireland
Israel
Italy
Jamaica
Japan
Jordan
Kenya
Kuwait
Lebanon
Liberia
Libyan Arab Jamahiriya
Liechtenstein
Madagascar
Malaysia
Malta
Mauritius
Mexico
Mongolia
Morocco
Myanmar
Namibia
Nepal
Netherlands
New Zealand
Nigeria
Norway
Oman
Panama
Paraguay
Peru
Philippines
Poland
Portugal
Qatar
Republic of Korea
Romania
Russian Federation
Saudi Arabia
Senegal
Singapore
Slovakia
Spain
Sri Lanka
Sudan
Sweden
Switzerland
Syrian Arab Republic
Thailand
The Former Yugoslav Republic of Macedonia
Togo
Trinidad and Tobago
Tunisia
Turkey
Ukraine
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
United States of America
Uruguay
Venezuela
Viet Nam
Zambia
Zimbabwe

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*/ For the list of participants, see TD/B/INF.3

2. The following other States members of UNCTAD, not members of the Board, were represented as observers at the session:

Djibouti
Holy See
Lithuania
Malawi
Maldives
Mozambique
Niger
Slovenia

3. Participated pursuant to General Assembly resolution 3280 (XXIX):

Pan Africanist Congress of Azania

4. The United Nations Environment Programme
United Nations Development Programme
United Nations Population Fund were represented at the session.

The International Trade Centre UNCTAD/GATT was also represented.

5. The following specialized and related agencies were represented at the session:

International Labour Organisation
Food and Agriculture Organization of the United Nations
International Monetary Fund
United Nations Industrial Development Organization

The General Agreement on Tariffs and Trade was also represented.

6. The following intergovernmental organizations were represented at the session:

Commonwealth of Independent States
European Community
League of Arab States
Organisation for Economic Co-operation and Development
Organization of African Unity

7. The following non-governmental organizations were represented at the session:

General Category

International Chamber of Commerce
International Council of Women
International Confederation of Free Trade Unions
World Confederation of Labour
World Federation of United Nations Associations
Third World Network

PANELLISTS

Mr. J.-P. BARDE, Senior Economist, Environment Directorate, OECD, France

H.E. Mr. Abdallah BOUREIMA, Minister of Finance and Planning, Niger

Mr. P. GUITARD, Secrétaire général, Comité ACP, Conseil national du patronat français, France

Mr. Heba HANDOUSSA, Director, Economic Research Forum, Egypt

Mr. Ivan IVANOV, Trade Representative, Belgium

H.E. Mr. Fathulla JAMEEL, Minister of Foreign Affairs, Maldives

Mr. M. KARIM, Secretary, Ministry of Commerce, Bangladesh

Mr. D. KILLICK, FCIS, Director of Business Development, Commonwealth Development Corporation, United Kingdom

Mr. M. LUCKE, Institute for World Economy, University of Kiel, Germany

H.E. Mr. Kogoma MALIMA, Minister of Finance, United Republic of Tanzania

H.E. Mr. Duri MOHAMED, Minister of Planning, Ethiopia

H.E. Mr. M.A. MOHAMED, Ministre de l'Economie et du commerce, Djibouti

Mr. R.K. PACHAURI, Director, Tata Energy Research Institute, India

Mr. J.-P. REVERET, Deputy Director, International Academy of the Environment, Switzerland

Mr. K. SAUVANT, Assistant Director, Division on Transnational Corporations and Investment, UNCTAD

Mr. T. ZYLICZ, Professor, Warsaw Ecological Economics Centre, University of Warsaw, Poland

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